

## **FISCAL NOTE**

### **SB 2968 - HB 2878**

February 16, 2000

#### **SUMMARY OF BILL:**

1. Establishes the Youth Smoking Prevention Fund and an associated Youth Smoking Prevention Advisory Commission attached to the Department of Agriculture. The Fund would receive a portion of its monies from the master tobacco settlement proceeds as well as other revenue sources such as gifts and grants. The Fund would recover costs of administering the Advisory Commission but no more than 5% of the Fund may be used for administrative costs of the commission. Funds would be allocated by the Department of Agriculture for purposes of administering a grant program.
2. The Advisory Commission would consist of members appointed by the general assembly, the governor and the Commissioner of Agriculture, with its executive director appointed by the governor. The Advisory Commission would be responsible for preparing a state plan for youth smoking prevention and would make recommendations for the awarding of grants. The commission is required to adopt the state plan for youth smoking prevention by October 1, 2001. Such plan is to specify programs that are eligible for grants, including media campaigns, school programs, and enforcement. No less than 50% of the annual grants must be used for enforcement type activities. The state plan must also provide for an annual survey to measure cigarette use and behaviors toward smoking. The Advisory Commission would sunset on June 30, 2002.

#### **ESTIMATED FISCAL IMPACT:**

##### **Increase State Expenditures - \$14,000 If Implemented**

**Other Fiscal Impact - Earmarks a portion of any tobacco settlement funds, estimated to be in excess of \$200,000,000 in calendar year 2000, to establish a Youth Smoking Prevention Fund.**

Estimate assumes:

- The amount of the Youth Smoking Prevention Fund is limited to the amount appropriated annually by the legislature.
- The increase in state expenditures is based on estimates provided by the Department of Agriculture of the cost of administrative support for the commission on a part-time basis. The Department is prohibited from being reimbursed from the Fund for the support staff salaries.
- Expenses for the executive director, travel, and for commission members will be paid from the fund.
- The commission will be established only upon the receipt of funds from the Master Tobacco Settlement Agreement and upon appropriation of such funds for the Youth Smoking Prevention Fund.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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